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Bureau of Land Management

Budget Process Redesign

Final Report

July 20, 1999

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Budget Process Redesign

Final Report

July 20, 1999

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Note: On July 20, 1999, the Executive Leadership Team (ELT) of the Bureau of Land Management agreed to the proposed Budget Process Redesign. The ELT asked that the Human Resources representative on the Budget Strategy Team be from the field, not from the Human Resources Management Center in Denver. In addition, the ELT agreed that the Budget Strategy Team would develop a process to determine allocation of base funding for fiscal year 2000.

Budget Process Redesign
Team Report

INTRODUCTION AND BACKGROUND

The Bureau of Land Management's (BLM) 25- year-old budget process has served the BLM well, but to continue to be effective, changes are needed to keep pace with new demands. The introduction of changes and new requirements that place numerous additional demands on the BLM is not adequately addressed by the current process. These changes and new requirements include the use of automation, such as the Management Information System (MIS); new accounting standards and reporting requirements such as Activity Based Costing (ABC); heightened competition for allocation of dollars in the Federal budget; the strategic planning requirements of the Government Performance and Results Act (GPRA); and the accountability requirements of the Chief Financial Officer's Act. Integrating these new requirements has interjected additional needs for coordination, reporting, and planning into the BLM budget process.

The BLM's job as the steward of the public lands has also become much more complex. For example, the dramatic increase in the number of listed threatened/endangered species, the rapid population growth in the West, the explosion of outdoor recreation demands, and expanded access to information via the Internet have created additional demands, have changed the nature of the work of the BLM, and have stressed the capability of the BLM to manage the public lands. These changes have increased the need for the BLM to have a very efficient process for planning and justifying funding needs, establishing priorities, allocating dollars, and achieving goals.

The BLM Field Committee and others have recognized these problems and recommended a budget redesign effort to update the current budget process to meet these new demands. The BLM Field Committee recommended a number of ideas for improvements to be considered in the redesign effort as follows:

- Produce a simple and flexible system that integrates MIS, ABC, GPRA, etc., into the new current year budget allocation and out-year budget formulation processes;
- Formulate out-year budgets to position the BLM to compete for funds both within the Department of the Interior (DOI) and the Federal Government and to obtain a "good budget" even during an era of level budgets;
- Develop and use data support systems that reduce data entry and ensure that data are entered only once and are shared throughout the budget cycle at all levels of the organization;
- Adopt a process that is proactive and reduces the need to frequently react to crises in day-to-day budget work;
- Redesign the budget process to produce immediate results in improved work efforts and continuously evaluate the process for further improvements; and
- Implement the new process in phases with budget cycles as appropriate.

The BLM Executive Leadership Team (ELT) approved the creation of a team to conduct the redesign. The BLM Deputy Director chartered a redesign team to use re-engineering techniques to

develop an improved budget process that will better position the BLM to compete for future funding. The charter is attached as Appendix 1.

The Redesign Process: The team's charter called for the radical redesign of the current budget process. Radical redesign is:

> "The fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical measures of performance (cost, quality, capital, service, speed)."

The team used the work process redesign techniques currently utilized by BLM and the DOI National Performance Review Re-engineering Teams (Appendix 2).

The budget redesign was completed by a team of 9 that included representation from all levels of the BLM organization (Appendix 3). Team members relied upon support from ad hoc advisors and/or subject matter experts as needed. The team charter established a mission, objectives, and a completion schedule. The team sponsor was the BLM Deputy Director. The budget redesign effort is officially sanctioned by the DOI as a National Performance Review Re-engineering Team.

The re-engineering process included the following six steps:

- Documenting (flowing) and agreeing upon the current Annual Work Plan (AWP)/ budget process to be re-engineered;
- Determining customer and stakeholder requirements for the AWP/budget process;
- Defining problems in the current process so that the re-engineering effort corrects them and does not design the problems back into the system;
- Understanding what a "radical redesign of work process" entails;
- Developing a redesigned AWP/budget process that is customer driven; and
- Implementing the new AWP/budget process.

The team completed its work between February and June 1999. Core team meetings were held at the BLM National Training Center with followup work, such as interviews with customers and stakeholders and benchmarking with other agencies, occurring in between the core meetings.

Documenting or flowing the existing process (Appendix 4) revealed a procedure that lacked long-term focus, required many exchanges of information or "hand-offs" of information back and forth between various parts of the agency, and often relied on the knowledge of a few individuals or organizations to obtain data needed to prepare the agency-wide budget. The redesigned process was developed in two stages. The first stage reviewed the budget process from the beginning to the congressional appropriation. The second stage looked at the distribution of the appropriation to the field through the end-of-year closeout.

Customers/stakeholders of the BLM's budget process that were interviewed included the DOI; the Office of Management and Budget (OMB); some staff members of the congressional appropriations subcommittees; and BLM, Washington Office program leaders, field managers, and field specialists. Please see Appendix 5 for a summary of the key interviews with the DOI, the OMB, and the appropriations subcommittees staff. Interviews were also conducted with other Bureaus within DOI and other Federal agencies to benchmark their budget processes. This included the National Park Service (NPS) and the U.S. Fish and Wildlife Service (FWS) within the DOI. The National Oceanographic and Atmospheric Agency within the Department of Commerce was also interviewed.

The results of the benchmarking and discussions with customers and stakeholders had a common theme. Budget formulation should be driven by focused field input that is obtained very early in the process. These data are then updated on a continual and regular basis as budget formulation advances toward the congressional appropriation. Both the NPS and the FWS have automated systems to collect, store, and access this type of information. These data are collected on a geographic basis and are used for both preparing the congressional Budget Justifications and to prioritize and display opportunities for funding should additional dollars become available.

THE PROPOSED NEW BUDGET PROCESS

- The proposed budget process addresses the concerns and ideas expressed by the "customers" who use or are involved in the BLM's budget process.

- Based on direct input from customers, the redesigned budget process has incorporated the following suggested improvements:

1. A more simple and flexible process;
2. A process that provides for input from all levels of the organization in the development of the budget;
3. A process that effectively incorporates and complements GPRA requirements, such as the Strategic Plan and Annual Performance Plan;
4. A process that is pro-active and which allows sufficient time for the organization to plan and react accordingly;
5. A process that is not "crisis oriented" and which is not designed around short, unrealistic time frames;
6. A process that positions the BLM to compete more effectively for funds at all levels;
7. A process that develops and uses data support systems that reduce and simplify data input and submissions;
8. A process that provides a level of certainty in funding and performance allocations to organizations; and
9. A process that treats all levels of the organization fairly and equitably.

A narrative description of the principles and major components of the proposed budget process follows, along with the major steps in a complete cycle of the new budget process (see Table 1). It is expected that the first fiscal year (FY) for which the new process could be applied in its entirety is FY 2003. (The section on Implementation that follows discusses how the new budget process would be phased in for FYs 2000-2002)

The Budget Strategy Team

- A ***Budget Strategy Team*** will guide and coordinate the BLM's budget process from start to finish.
- The team will have broad representation from across the BLM. Team members from Headquarters, State and Field Offices will represent the BLM on the team.
- The Budget Strategy Team members will include:
    - Bureau Budget Officer [Team Leader]
    - Assistant Director, Planning and Renewable Resources
    - Assistant Director, Lands, Realty and Resource Protection
    - Assistant Director, Communications
    - State Director
    - Associate State Director
    - Field Manager
    - Bureau Strategic Planner
    - State Budget Chief
    - Human Resources/Employee Representative
- The Budget Strategy Team will report to the BLM's Deputy Director.
- The Budget Strategy Team will be responsible for leading and/or preparing the following budget processes/products:
    - The BLM's Budget Strategy;
    - A Budget Strategy Communications Plan;
    - Budget allocations to the BLM Washington Office, the State Offices, and the National Centers;
    - Keeping the BLM ELT informed and obtaining ELT approvals; and
    - Providing the BLM's Budget Office with sufficient strategic guidance and information to prepare budget documents that reflect and integrate the BLM's Budget Strategy and Strategic Plan goals.

- The Budget Strategy Team will draw upon the BLM's Budget Office for technical and staff support. Team members may also draw upon their own organizations for other staff support and information as appropriate and necessary.

The Bureau's Budget Strategy

- The **BLM's Budget Strategy** is *a document that translates the BLM's Strategic Plan into a budget document that strategically reflects our funding needs and performance and will guide our allocation of available funds.*

- The Budget Strategy will form the foundation of the budget process and will be used for all subsequent budget documents, communications, decisions, and allocations.

- The Budget Strategy will begin to be prepared 3 years ahead by the BLM's Budget Strategy Team:

    - The Budget Strategy Team will propose themes/initiatives that will focus the BLM's Strategic Plan goals into opportunities for funding. (See Appendix 6: Proposed Budget Themes Developed for the BLM FYs 2001/2002 Budget Strategy.)

    - The Budget Strategy Team will "network" within the DOI at the Assistant Secretary level, with other Bureau Directors and others; within BLM at the Director, Assistant Director, and State Director levels and with the Information Technology Investment Board; and outside the BLM with the OMB, the Council on Environmental Quality, and with other entities to obtain broad input in proposing budget themes.

    - A Bureau wide strategy meeting will be held each year with representation from all levels of the BLM to:

        - Confirm/expand the budget themes proposed by the Budget Strategy Team;
        - Provide perspective and details for the proposed budget themes; and
        - Provide a Bureau wide perspective on the financial and performance capabilities of the BLM to meet its Strategic Plan goals at various funding levels, including level budgets, and increasing and decreasing budgets.

- The BLM ELT will set priorities and review, modify, and concur with the themes, assumptions, and direction of the Budget Strategy as presented by the Budget Strategy Team.

- Detailed information and data to support the Budget Strategy will be included in a Budget Strategy Data Base. The **Budget Strategy Data Base** *is a continually updated module that integrates performance data with the BLM's strategic goals and geographic, and program needs to allow the creation of Budget Justifications, priority setting, and budget allocations.* The Budget Strategy Data base is expected to be a module of the MIS.

  - The Budget Strategy Data Base will be populated with data by all levels of the organization based on the direction in the Budget Strategy and a Communications Plan. The **Communications Plan** is *a plan to articulate BLM's strategy, funding priorities, and needs to Members of Congress, internal and external stakeholders, customers, partners, and interest groups. It will be updated as new information and opportunities are identified.*

  - The Budget Strategy Data Base will include specific, prioritized information to support the Budget Strategy, such as project specific opportunities, partnership opportunities, funding requirements, resource benefits, performance enhancements, etc. This information will be placed into the Budget Strategy Data Base on a continual basis as information and partnerships are gathered from across the BLM.

  - The Budget Strategy Data Base will be the primary source used by the BLM's Budget Office and Washington Office program staff to prepare budget and strategic planning documents, including budget submissions to the DOI, Budget Estimates to the OMB, the Annual Performance Plan and the congressional Budget Justifications. It will also be used across the BLM to provide information and details about the BLM's Budget Strategy. (The Budget Strategy Data Base is expected to replace the data and information gathering parts of the BLM's current Strategic Budget Planning [SBP] process.)

  - All budget and strategic planning documents will reflect the direction, strategies and performance assumptions in the BLM's Budget Strategy and the BLM's Strategic Plan. Budget documents will portray as much detailed information as possible by **Geographical Area** (*a specific area that is used to define program emphasis, opportunities, performance, or consequences).*

  - An Opportunity Book will be prepared from information in the Budget Strategy Data Base. The **Opportunity Book** *is a prioritized list of additional needs that reflect the BLM's Budget Strategy. This list will supplement the BLM's congressional Budget Justifications. Needs will be displayed by geographical area, subactivity, and increases to performance.*

THE BUDGET ALLOCATION PROCESS *[The Annual Work Plan (AWP) Process]*

- The allocation process is the means that funds and performance measure are distributed throughout the BLM organization. The **BLM Organization** is defined as *all levels of the BLM--the Washington Office, the State Offices, the District Offices, the Field Offices, and the Centers.*

- Funds will be allocated to all levels of the organization using the same protocols, definitions, and allocation principles and methods. (In other words, State Offices will be expected to follow the same fund allocation rules and procedures in distributing funds to District or Field Offices as is used at the national level to allocate funds to States, Offices and Centers).

- A Planning Target Allocation will be given to each organization in December/January for the following fiscal year.

- A Planning Target Allocation will replace the BLM's current "Preliminary AWP Process."

- The BLM Budget Strategy Team will be responsible for allocating a Planning Target to the BLM Washington Office, State Offices, and Centers and to "Bureau wide accounts." State Offices will then allocate a planning target to District and/or Field Offices.

- The Planning Target Allocation will be based on the BLM funding and performance levels to be included in the congressional Budget Justifications for the following FY. The Planning Target will be allocated as soon as policy decisions concerning the congressional Budget Justifications are available. (The priorities and policies in the congressional Budget Justifications are expected to serve as the primary guidance and direction for use of the Planning Target throughout the organization).

- For example, the Planning Target for FY 2001 will be allocated in December/January of FY 2000, based on the funding and performance in the congressional Budget Justifications to be prepared for FY 2001.

- A **Planning Target Allocation** for an organization *is Base Funds,* plus *One Time Congressional Add-On Funds,* plus *Flexible Funds,* plus *performance direction and priorities.*

    - **Base Funds** are defined as *last year's allocation,* plus *uncontrollable costs,* minus *one time add-ons.* Each organization will be allocated a base funding level annually. Performance expectations and issues will be addressed in the allocation of Base Funds.

- **Uncontrollable Costs** *are the non-program related costs that are requested in the congressional Budget Justifications.* These include pay increases, General Services Administration (GSA) space rental costs, retirement system costs, health plan costs, injured employee and unemployment compensation costs, and specified DOI costs and assessments. All organizations will receive an appropriate share of a portion of these uncontrollable costs based on standard formulas and where the costs are borne.

- **One Time Add-Ons** are *a one-year allocation to an organization for projects that will end in a specified time.* These funds may be directed from within the BLM or outside of the BLM.

- **Flexible Funds** are *the total amount of funds available for allocation,* minus *Base Funds,* minus *congressional one time add-ons.* (Flexible Funds have historically included funds for items funded centrally across all levels of the organization, unspecified congressional funding increases, and funds held at a level of the organization for unforeseen issues.)

- **Last Year's Allocation** is *the final cost target for an organization at the end of the FY.*

- **Centrally Funded Issues** *are planned or anticipated issues of significant importance at any organizational level to warrant priority funding attention.* Centrally funded issues will be addressed and included in the Planning Target Allocations. Information and proposals for issues that may warrant being funded centrally will be gathered and provided to the Budget Strategy Team and budget decision-makers at other levels of the organization for consideration in the decision process.

  - Centrally Funded Issues would normally be funded from Flexible Funds, not Base Funds. (Management retains the ability to fund higher levels of Centrally Funded Issues; however, it needs to be recognized that an organization's base funding capability and performance may be reduced or sacrificed.)

- BLM States and Offices, as appropriate, will populate the workload and performance measure modules of the MIS based on the capability provided by the Planning Target Allocations. (Discussions/negotiations about workload capabilities will occur within a specified timeframe.)

- As soon as possible following passage of an Appropriations Act providing funds for the BLM, expected usually by October 1, the AWP will be issued. The **AWP** is *an allocation of current year funding and performance and/or adjustment to a Planning Target based on final congressional appropriations.* This allocation to the BLM Washington Office, State Offices, and Centers will be made by the Headquarters Budget Office in consultation

with the BLM Budget Strategy Team. (This process is expected to be more of a mechanical process than a policy process that addresses specific congressional ear marks that occur in the final congressional appropriation). States will then allocate the AWP to appropriate District and/or Field Offices in the same categories; base, one time adds, and flexible funds.

- The Budget Strategy Team and each organizational manager has the opportunity to identify Emerging Issues for consideration and funding in the AWP. **Emerging Issues** are *unanticipated issues of significant importance that will warrant changes in planned funding and performance.*

MONITORING AND ACCOUNTABILITY IN THE BUDGET PROCESS

- Managers at all levels of the organization are *accountable for establishing and meeting the BLM's financial and performance levels.*

- A review of the status of the BLM's accomplishments will be conducted quarterly. A **Quarterly Review** is a *review and analysis of the BLM's financial and performance status.* The BLM Headquarters Budget Office will initiate and coordinate quarterly reviews for the BLM Director. An end-of-year review will be conducted as part of the Quarterly Review process.

- The Budget Strategy Team will be responsible for using a continuous improvement process to evaluate and propose improvements in the budget process.

- The MIS will be used as the BLM's official system for allocating, reporting, and monitoring financial and performance progress.

- ABC data, along with other information such as National Validation Reviews, Inspector General and General Accounting Office Audits, internal BLM evaluation reviews, end-of-year accomplishments, etc., will be used on a continuous basis throughout the year to monitor and evaluate the BLM's efficiency and effectiveness. These data will be used by state and field managers, Assistant Directors and program leaders/coordinators, and budget staff across the organization and the BLM's Budget Strategy Team to:

    - Evaluate trends and success of implementing Strategic Plan goals;
    - Increase efficiencies in performance and spending;
    - Direct increases in flexible funding to the highest and best uses; and
    - Review base funding capabilities and make recommendations on adjustments to future base funding allocations.

BUDGET PROCESS REDESIGN
Team Report

Table 1: ***Budget Process Chart - Development of the Fiscal Year (FY) 2003 BLM Budget***

YEAR	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT
2000					Budget Strategy Team convenes		FY 2003 budget themes developed.	Strategy meeting on FY 2003 themes		ELT sets FY 2003 budget priorities & reviews budget Themes.	Communicate FY 2003 budget strategy. Fill Budget Strategy Data Base	→
2001	Communicate FY 2003 budget strategy. Fill Budget Strategy Data Base	→	→	→	→	ELT final approval of FY 2003 budget strategy.	Budget strategy forwarded to Budget Office		FY 2003 Budget & Performance Request to Dept.	Communicate FY 2003 budget strategy, Fill Budget Strategy Data Base	Communicate FY 2003 budget strategy, Fill Budget Strategy Data Base	FY 2003 Budget Estimates & Annual Performance Plan (APP) to OMB
2002	Communicate FY 2003 budget strategy. Fill Budget Strategy Data Base	FY 2003 OMB Passback	FY 2003 Planning Target Allocation with Performance and . Priorities	Communicate FY 2003 budget strategy. Fill Budget Strategy Data Base	FY 2003 Budget Justifications. APP & Opportunity Book to Congress	Communicate FY 2003 budget strategy	→ Congress-Budget Review and Hearings	→ →	→ →	→ →	→ →	→ →
2003	Congressional Appropriationn AWP allocation of funds & performance measures			Quarterly Review Funding & Performance			Quarterly Review Funding & Performance			Quarterly Review Funding & Performance		End of the Fiscal Year
2004	End-of-year closeout; funding and performance											

IMPLEMENTATION

The new budget process will be phased in because full implementation of the entire new cycle cannot occur until FY 2003. However, for each FY preceding FY 2003, portions of the new cycle will be implemented to the fullest extent possible (see Appendix 8, Mult-Year Budget Process Work Cycle Implementation). Key points of this phased-in implementation are listed below.

FY 2000

- In August 1999, a Planning Target Allocation for FY 2000 will be made by the Budget Strategy Team that includes Base Funds, One Time Add-On Funds, Flexible Funds, and performance direction and priorities (see Definitions of Terms Used in this Report, Appendix 7).
- BLM States and Offices will be asked to provide performance and workload capabilities and data via the Performance Module of the MIS (PMIS)
- The Planning Target Allocation will replace the Preliminary AWP (PAWP) as historically issued.
- Upon receipt of the FY 2000 congressional appropriation expected in late fall of 1999, the Headquarters Budget Office in consultation with the Budget Strategy Team and working with Headquarters Assistant Directors and program leaders will reconcile the Planning Target Allocation, adjust performance targets accordingly, and issue the AWP as defined by the new budget process.

FY 2001

- In October/November 1999, Washington Office will issue a data call for FY 2001 that addresses geographic specific needs and success stories. This data call will provide the data for the 1999 Annual Report, the FY 2001 congressional Budget Justifications and the FY 2001 Opportunities Book. (This data call will help serve as the template/prototype for development of the new Budget Formulation Module for the MIS. This module will house the Budget Strategy Database).
- The FY 2001 Budget Justifications (due to Congress in early February 2000) will, *for the first time,* contain fiscal and performance allocations by subactivity by State/Office.
- In addition to the FY 2001 congressional Budget Justifications, an Opportunities Book will be prepared that identifies and displays funding needs by geographic area if additional funding becomes available.

FY 2002

- At the July 1999 ELT meeting, the themes for FY 2002 will be presented for ELT approval. The FY 2002 Communications Plan will also presented for approval and implemented between August 1999 and January 2000.

LIST OF APPENDICES

Appendix 1: Budget Redesign Team Charter

Appendix 2: National Performance Review Re-Engineering Process

Appendix 3: Budget Redesign Team Members and Advisors

Appendix 4: Flow Diagram of the Current Budget Process

Appendix 5: Summary of Interviews with DOI, OMB, and Congressional Appropriations Subcommittees Staff

Appendix 6: Proposed Budget Themes Developed for the BLM FYs 2001/2002 Budget Strategy

Appendix 7: Definitions of Terms Used in this Report

Appendix 8: Proposed Multi-Year Budget Process Work Cycle Implementation [FY 1999-FY 2004]

Appendix 9: Budget Redesign Team Working Documents:

(a) Details of the Allocation Process ;
(b) Details of the Congressional Budget Justification and Annual Performance Plan Preparation; and
(c) Minutes of ELT Meetings (November 1998 in Phoenix, Arizona and March1999 in Boise, Idaho.

APPENDIX 1 - TEAM CHARTER

NOTE: The team charter is currently only available in hard copy and must be inserted into the report.

APPENDIX 2: NATIONAL PERFORMANCE REVIEW RE-ENGINEERING PROCESS

Using a Structured Framework to Redesign

1. Macro flow the present work process to establish the boundaries of the process being redesigned and the major work activities. List the products and services of the process and the customers and stakeholders. Do not get too detailed. Show the points in the process where the work crosses boundaries or is handed off to another office. Show the number of handoffs, the total time in the process and the time actually worked on.

2. List the requirements of the customers and stakeholders of the current process.

3. Brainstorm the problems in the current process (also, eventually analyze the causes of these problems so you will not redesign these problems into the new process).

4. Develop a logical work process, using the symbols, to deliver the customer / stakeholder requirements. Develop a logical process flow diagram as part of this step. Be sure to include data stores (memory needed to process a business event).

5. Overlay the logical work process against the present work process to see if each step in the present work process is logical and adds value for the external customer. Brainstorm what this shows. Usually you see the incoherence of the present work process. Be sure to show data stores. Capture any ideas generated.

Using a Structured Framework to Redesign (continued)

6. Generate radical process redesign ideas utilizing quality management ideas, the Hammer ideas, the rules of thumb, and the overheads entitled "Eliminate...." Brainstorm how to apply these ideas to the process being redesigned.

7. Review all brainstormed ideas to utilize in the new design.

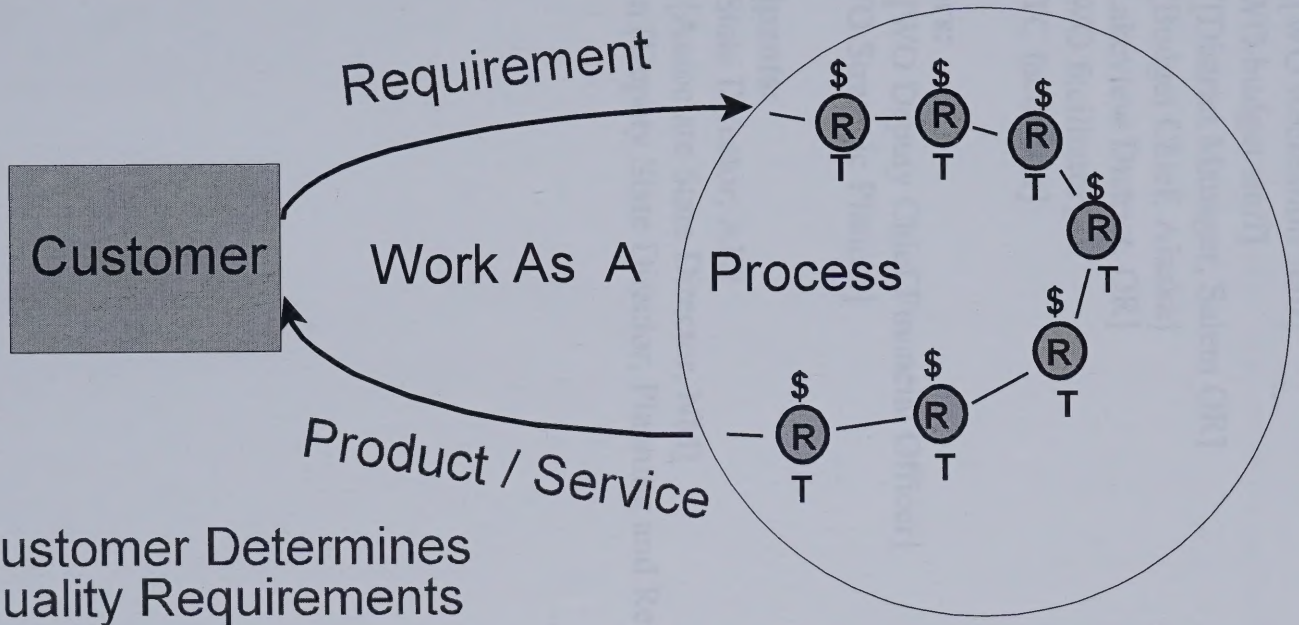
8. Develop a new work process to meet the requirements of the customers and stakeholders of the process. Using all the ideas generated above, do a new work flow design, with data stores . Make sure that each step adds value for the customer. Establish measures across the process to ensure that customer needs are met. Show the number of handoffs, the total time of the process, and the amount of time the data is actually worked on. All these new figures should be dramatically lower than the figures from the old design.

9. Do a value added flow analysis. Brainstorm how you can streamline the process utilizing "value-added ideas."

10. Review the COPQ problems, causes and costs to ensure that they are not designed back into the new process.

11. Implement the new work process design with required changes in organizational structure, job designs, systems, values and culture.

BASIC QUALITY MANAGEMENT AND IMPROVEMENT IDEAS



1. Customer Determines Quality Requirements
2. Work As A Process
3. Organize Around the Customer / Process
4. Process Adds Value For The Customer
5. Design the Process to Do It Right The First Time
6. Measure Quality Across the Process / Build In Quality
7. Control The Process
8. Design for Efficiency and Effectiveness
9. Continuously Improve The Process

BASIC QUALITY IMPROVEMENT TECHNIQUES AND IMPROVEMENT IDEAS

APPENDIX 3
BUDGET REDESIGN TEAM MEMBERS AND ADVISORS

Team Members:
Jean Rivers-Council [co-team lead]
Larry Benna [co-team lead]
Jack Peterson [WO Recreation staff]
Mark Davis [WO budget staff]
Van Manning [District Manager, Salem OR]
Carol Moore [Budget Chief, Alaska]
Bob Bolton [Lakeview District, OR]
E. K. James [WO facilitator]
Gery Behr [NTC facilitator]

Team Advisors:
Betty Buxton [WO Deputy Chief Financial Officer]
Kit Muller [WO Strategic Planner]

Other Participants:
Fran Cherry [State Director, AK]
Rich Whitley [Associate State Director, NM]
Mike Ferguson [Deputy State Director, Planning and Renewable Resources, AZ]

APPENDIX 4
FLOW DIAGRAM OF THE CURRENT BUDGET PROCESS

NOTE: This is hand written page that must be copied and inserted in this doucment.

APPENDIX 5
SUMMARY OF INTERVIEWS WITH DOI, OMB, AND CONGRESSIONAL APPROPRIATIONS SUBCOMMITTEES STAFF

DOI Interview Summary:

- BLM can do a better job in budget documents of explaining how additional funds and personnel can help solve issues and deal with growth impacts to the public lands.
- BLM should be more up-front about explaining "both sides of the story"–the positive and the negative.
- BLM can do better at portraying geographical specifics in budget documents, especially as it relates to accomplishments and justifying requests for new funds/resources.
- BLM should be "more specific" about issues, performance, and accomplishments earlier in the budget process.
- The workload data that are portrayed in budget documents are helpful and should be retained.
- There is much competition among Bureaus for funds at the Department level. Not many people have "gone to bat" for BLM up to now.
- BLM should coordinate and talk to all Assistant Secretaries during the budget process.
- BLM's MIS Should tie dollars and accomplishments together.

APPENDIX 5
SUMMARY OF INTERVIEWS WITH DOI, OMB, AND CONGRESSIONAL APPROPRIATIONS SUBCOMMITTEES STAFF

Appropriations Subcommittees Staff Interview Summary:

- BLM does not do an effective job of "advertising" or communicating its successes or opportunities.
- BLM has unique problems and opportunities which could be better explained and communicated. For example, having "non-BLM" accounts in its budget such as PILT, Fire, and Central Hazardous Materials can have negative effects on budget outcomes for BLM.
- BLM should better show its effectiveness at leveraging funds and developing partnerships.
- BLM would be more effective if it had more effective internal program advocates.
- Some of the tools that BLM used in the past were very effective at getting support, ie the strategic plans that were prepared (Fish and Wildlife 2000, Recreation 2000, etc). The benefits of these products have been lost.
- BLM could do a better job of presenting budgets that show specific geographic results and ties. Members now do not have anything to associate themselves or their constituents with. Geographic representations are a very effective tool.
- In the Budget Justifications that are sent to Congress, BLM should:
  - Better describe base programs and accomplishments;
  - Better describe congressional member projects and progress on congressional projects/add-ons from prior years;
  - Better describe the relationship of subactivity funding to accomplishments and outcomes; and
  - Develop good measures of output.

APPENDIX 5
SUMMARY OF INTERVIEWS WITH DOI, OMB, AND CONGRESSIONAL APPROPRIATIONS SUBCOMMITTEES STAFF

OMB Staff Interview Summary:

- The budget document is too long.
- BLM should determine the "themes" that will resonate with the DOI and the Congress and capitalize on them in budget presentation.
- BLM should work with constituents more in developing and communicating the out-year budget process.
- BLM should retain its programmatic approach in the budget, but should show allocations and accomplishments more geographically.
- BLM should describe proposed changes in programs in more detail.
- BLM should begin its "budget debates" earlier in the process and make funding decisions earlier.
- The budget documents and the GPRA (annual performance plan) documents could be better integrated.

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APPENDIX 6
PROPOSED BUDGET THEMES DEVELOPED FOR THE BUREAU OF LAND MANAGEMENT (BLM) FISCAL YEAR (FY) 2001/2001 BUDGET STRATEGY

Lands Livability - Community Growth in the West

The BLM is the Department's "open space" agency due to the extent of its land ownership at the edge of rapidly growing western communities. For example, Maricopa County in Arizona and Clark County in Nevada, both of which are surrounded by public lands, are now the fastest growing regions in the nation. The BLM is concerned about its ability to keep abreast of the dynamic changes going on in the West. This initiative supports and enhances the Vice President's Lands Livability Initiative to improve the quality of life in these expanding urban areas by balancing development with protection of open spaces and plant and animal habitats.

The BLM is concerned that it will not be able to *both* meet the needs of local communities and also have the capability to adequately address the requirements of threatened plant and animal species. Urban and rural developments are encroaching on the public lands and this encroachment produces a wide variety of management issues. The BLM is concerned that without adequate funding and staffing, it will be unable to:

-Protect habitat for T/E species
-Issue rights-of-way in a timely fashion to ensure that basic infrastructure such as roads, power lines and telephones are available to expanding western communities
-Meet increased recreation demands including search and rescue
-Issue Recreation and Public Purposed Permits that provide opportunities to local jurisdictions for such things as open space, fire stations, parks, and schools
-Cooperate with counties in the sharing of geospatial data

Funding would be used for:

-Completing multi-species plans that address regional growth issues in such places as the California Desert and Clark County in Nevada
-Addressing community expansion needs including demands for increased recreational opportunities, rights-of way and commodities such as sand and gravel
-Providing land, resource, and title information to local counties

Sustainable Resource Decisions - NEPA & Planning

Absent significant increases in funding and staffing, the health of the public lands is at risk, with the potential for far reaching ramifications. The BLM is finding that it is currently very difficult for it to continue to conduct the appropriate levels of analysis required under the National Environmental Policy Act (NEPA). The potential for unacceptable environmental impacts and for high-cost litigation and eventual "gridlock" are very high.

In the last decade, the BLM has moved from "a leave it alone" stance and the parceling out of resources to the commodity interests, to a much more balanced management approach. Associated with this new approach are increased NEPA and resource clearance costs. Today, the BLM is concerned about its capability to assure the long-term health of the public lands under the terms of its *existing* contractual obligations (e.g., grazing permits and oil and gas leases). Under present funding and staffing scenarios, authorizing *new* contracts will further decrease our capabilities to enforce the existing ones, which may leave us vulnerable.

Funding and staffing levels have dwindled to the point that the ability to continue to make sound land use decisions, given the rapid changes that are occurring in the west, is in jeopardy. For example, the majority of our land use plans have not yet been amended to address issues associated with such things as the new air/water quality standards or critical watersheds as identified by the western states. In addition, tens of new threatened or endangered species have been listed. Rural development is occurring throughout the West with an associated explosion of demands for outdoor recreation.

Our customer demands have increased to the point that the legal and environmental requirements of the agency's core business are not receiving adequate attention. While the cost of trying to address cumulative impacts on a project-by-project basis may meet immediate short-term needs, it does not provide for cost-effective resource management in the long term. This initiative would provide the BLM the resources to keep its existing land use planning base current and avoid the potential of having to revise all of its Resource Management Plans at a cost estimated to be in the hundreds of millions of dollars.

The following recent examples exemplify the magnitude of this issue:

-Comb Wash decision regarding Livestock Permit Renewals
-Lack of designations to manage the explosion in use of off-highway-vehicles for personal recreation
-Necessity to limit oil and gas development and leasing pending improved analysis of cumulative impacts.

Funding will be used to:

-Support the Lands Legacy initiative by identifying lands for disposal/acquisition
-Update land use plans for consistency with Clean Air/ Clean Water laws
-Address impacts of new technology such as off-highway vehicles and personal water craft
-Support rangeland assessments and monitoring to improve rangeland health
-Assure that there is an appropriate analysis of the impacts of the expected increases in natural gas production (coalbed methane) in such places as Utah, Wyoming, Colorado, and New Mexico due to the clean air goals contained within the Kyoto Protocol

Restoration of Watersheds

Many watersheds on the public lands are degraded from a variety of current and past uses. Restoration of these watersheds is critical to restoring the public lands to a healthy condition. In the lower 48 states, 44 percent of riparian areas on BLM lands are "at risk" and 11 percent are "nonfunctional." Water supplies for communities in the West are at risk from contaminated runoff and increased erosion and sedimentation from abandoned mine lands (AML). As many as 65,000 polluting AML sites on public lands remain to be addressed.

The BLM manages more than 264 million acres of public land. Once restored, these public lands have the capability to be a "reserve" or "bank" for many plants and animals and their habitat that are currently threatened by expanding urbanization. Public lands currently provide habitat for more than 350 plant and animal species that either are listed, proposed for listing, or are candidates for listing under the Endangered Species Act.

Finally, the area infested by nonnative species on both the public rangelands and private lands throughout the West is expanding at an exponential rate. The expansion of these invasive species must be stopped to make our public lands more productive and enjoyable.

Funding will be used to:

-Improve watershed health
-Improve habitat for plant and animal species
-Assure that existing contractual obligations (i.e., oil and gas leases and livestock grazing permits) are managed in such a manner that they contribute to the restoration of watersheds
-Increase our attack on weeds through the use of partnerships with local counties
-Work with states to identify restoration priorities
-Increase restoration of abandoned mine lands
-Remediate unplugged/abandoned orphaned wells
-Leverage additional funding from partners
-Increase the use of prescribed fire as a tool in restoring watersheds

Protection of BLM's Special Areas

A vast number of treasures on the public lands just wait to be discovered by Americans. The BLM has more lands under special designation than all of the lands within the National Park System or the entire Fish and Wildlife Service Refuge System (including Alaska). More than 85 percent of the mileage for all national historic trails and the majority of the wild and scenic rivers are on public land administered by the BLM.

The Grand Staircase - Escalante National Monument and the Headwaters Forest are two of the special areas on the public lands. With acquisitions such as these, however, come increased public expectations and demands. The BLM will need additional capability to manage other newly designated areas such as national monuments or national conservation areas.

In addition, the number and kinds of paleontological discoveries that are occurring on the public lands are unparalleled. New fossils that are reshaping the understanding of our world are being unearthed on almost a daily basis. However, archaeological and paleontological sites both

continue to be targeted by pothunters and looters. Areas are also threatened from unmanaged off-highway vehicle use and the effects of nearby urbanization and rural development.

Funding will be used for:

-Improved management of Congressional and Administrative specials areas
-The Lewis and Clark Trail Bicentennial
-Headwaters Forest restoration and visitor service
-Designation and management of paleontology sites
-Improved management of existing trails
-Evaluation of wild and scenic river study areas
-Preservation of BLM's most significant cultural and paleontological treasures
-Planning and restoration work in the California Desert
-LWCF Acquisitions
-Management of 10 new special areas

Safe Visits

The public lands contain many hazards that threaten the health and safety of visitors. Funding for annual maintenance of roads and facilities is insufficient, and there are many physical safety hazards in such places as abandoned mine sites. In addition, the BLM does not have an adequate inventory of its road system to adequately plan for road maintenance and safety.

Funding will be used for:

-Maintenance of existing facilities
-Road system inventory
-Eliminating public safety issues (i.e., open mine shafts)

APPENDIX 7 - DEFINITIONS OF TERMS

Budget Process Redesign
Team Report

BLM's Budget Strategy is *a document that translates the BLM's Strategic Plan into a budget document that strategically reflects our funding needs and performance and will guide our allocation of available funds.*

The **Budget Strategy Data Base** *is a continually updated module that integrates performance data with the BLM's strategic goals, geographic, and program needs to allow the creation of budget justifications, priority setting, and budget allocations.*

Communications Plan is *a plan to articulate BLM strategy, funding priorities, and needs to members of Congress, internal and external stakeholders, customers, and interest groups. It will be updated as new information and opportunities are identified.*

Geographical Area is *a specific area that is used to define program emphasis, opportunities, performance, or consequences.*

Opportunity Book *is a prioritized list of additional needs that reflect the BLM's Budget Strategy. This list will supplement the BLM's Congressional Budget Justifications. Needs will be displayed by geographical area, subactivity, and increases to performance.*

BLM Organization is defined as *all levels of the BLM--the BLM Washington Office, the State Offices, the District Offices, the Field Offices, and the Centers.*

Planning Target Allocation for an organization *is Base funds + One Time Add On Funds + Flexible Funds + Performance Direction and Priorities.*

Base Funds are defined as *Last year's allocation + uncontrollable costs - one time add-ons.*

Uncontrollable Costs *are the non-program related costs that are requested in the congressional Budget Justifications.*

One Time Add-Ons are *a one-year allocation to an organization for projects that will end in a specified time.* These funds may be directed from within the BLM or outside of the BLM.

Flexible Funds are *the total amount of funds available for allocation - Base Funds - congressional one-time add-ons.*

Centrally Funded Issues *are planned or anticipated issues of significant importance at each organizational level that warrant priority funding attention.*

Annual Work Plan is *an allocation of current year funding and performance and/or adjustment to a Planning Target based on the final congressional appropriation.*

Emerging Issues are *unanticipated issues of significant importance that will warrant changes in planned funding and performance.*

APPENDIX 8: PROPOSED MULTI-YEAR PROCESS

THIS IS AN 11X17 INCH CHART AND REQUIRES SPECIAL PAPER.

IT HAS BEEN INSERTED AT THE END OF THIS DOCUMENT FOR EASE OF PRINTING

APPENDIX 9A
REDESIGN TEAM WORK PRODUCT
BUDGET ALLOCATION PROCESS

BUDGET ALLOCATION PROCESS
[*BUDGET STRATEGY TEAM ALLOCATES*
WITH
BUDGET OFFICE TECHNICAL SUPPORT]

WHAT INFORMATION DO WE NEED TO ALLOCATE FUNDS?	WHERE DO WE GET THE INFORMATION?
What are base funds?	**Budget staffs calculate base by subactivity for State/Office using established definition**
What is the Budget Strategy?	**Budget Strategy Team develops/provides the Budget Strategy**
What is the uncontrollable cost allocation?	**Budget staffs calculate for State/Office using the formulas established**
What are the Administration priorities/initiatives?	**Obtain from DOI guidance and OMB passback**
What initiatives should be centrally funded?	**Determine from the Budget Strategy, DOI guidance OMB passback, emerging issues**
How do we handle emerging issues?	**Secretary/Director/State Director input for States/Offices as appropriate**
How do we handle technical budget/funding issues?	**Budget staffs develop/provide information**
How do we address performance and workload?	**Budget Strategy/Budget Strategy Data Base provide the information/priorities**
How do we use the Budget Strategy Data Base?	**Include as MIS module, need to further define and standardize format**
Where do we get current year appropriation?	**Congressional appropriation bills/reports**
Where do we get end of year results/performance?	**MIS performance/workload module; narrative explanation from States/Offices**
How do we use ABC data/analysis?	**Program/budget staffs continually analyze and provide information to Budget Strategy Team and Managers**

APPENDIX 9B
REDESIGN TEAM WORK PRODUCT
OUT YEAR BUDGET FORMULATION

PREPARE BUDGET ESTIMATES AND ANNUAL PERFORMANCE PLAN FOR OMB

BUDGET ALLOCATION PROCESS

–Use the Updated Budget Strategy
-- Provide a Subactivity Allocation
–Provide a Performance Allocation
– 3 Program Specific needs:
what was accomplished [narrative/successes]
validation of performance targets
additional needs

PREPARE BUDGET JUSTIFICATIONS AND ANNUAL PERFORMANCE PLAN

WHAT INFO DO WE NEED TO PREPARE THE JUSTIFICATIONS/APP? WHERE DO WE GET THE INFO?

-Description of current program..... Washington Office Program leaders/Budget staff
-Program accomplishments..... MIS; ABC; Annual Report; data call to field;
-APP:[changes from planned accomplishments]..... MIS; [need to change MIS to accept out year targets]
-Program changes [+/-]..... Budget Estimates /Draft APP sent to OMB
Geographical info display:
-Current Program description:
geographical display of needs tied to strategic priorities..... Budget Strategy Database; Communication Plan Implementation results/input
GIS maps, etc.....
-Programmatic Changes description:
geographical allocation of change with realistic
estimate of additional accomplishments/performance..... Budget Strategy Database; Communication Plan Implementation results/input
-Priority Opportunities:
by State/Region/Congressional District.[consistent with Budget Strategy].....Budget Strategy Database; Communication Plan Implementation results/input
-Interdependencies of programs/budget accounts.....Washington Office Budget and Program Staffs develop
-Unique successes/opportunities/capabilities of BLM:
partnerships:
fund leveraging; challenge cost share state grants;.
volunteers; TEA-21 funds; etc.....
-Non-BLM pass thru accounts in BLM budget:
PILT;Fire: Central Haz mat fund, etc;.....Washington Office Budget and Program Staffs develop.

APPENDIX 9C
BUDGET REDESIGN TEAM WORKING DOCUMENTS

Minutes from the Executive Leadership Meeting, Phoenix, AZ, November 1998.

SECRETARY BABBITT: The Secretary would like to hear from ELT members on ideas and experience with authorized bison grazing. Any thoughts should be passed along to Acting Director Tom Fry who will forward them to the Secretary.

ASSESSMENT AND PERMIT RENEWALS: Participants recognized the workload. Tom Fry asked if everyone could do the work and only one member expressed reservation. Additionally, Tom asked if anybody had not started the assessment process. There was no comment. WO-200 will be following up with the State Directors to determine their progress.

Renee Stone outlined navigational aids for completing livestock grazing assessments and permit renewals. This includes getting into compliance before a problem arises or you will lose control of the case in court; build a good record to defend yourself before a problem arises; having done these items, the Solicitor is able to defend you if necessary.

Mark Stiles summarized the legal framework memo and the Tool Kit.

The ELT agreed with the following:

1) The focus must be on priority allotments where environmental work needs to be done.

2) The ELT also agreed that there must be additional discussions with the Fish and Wildlife Service, the National Marine Fisheries Service, the permittees, the public, and interest groups.

3) The RACs should be used and brought into the process early.

STANDARDS AND GUIDELINES, BEYOND RANGE:

The ELT agreed to the following:

1) Henri's 3 sets of recommendations were accepted; however, relative to recommendation 3, the ELT members want a simple process and one coordinated with the performance plan. The Healthy Lands Workgroup will provide the ELT with a recommended tracking and reporting process 30 days before the next ELT meeting.

ALMRS: The ALMRS Executive Committee, composed of Hord Tipton, Gayle Gordon, and Pete Culp, gave a presentation on where we are and where we are going with ALMRS. Michelle Chavez gave an overview of the OAT&E testing in New Mexico, the detailed results of which will be available in 3 weeks.

The ELT agreed to the following, based on the initial results of the OAT&E testing:

1) Recognize the importance of Y2K rehosting by providing data cleanup guidance for rehost loading; following current data standards; developing and providing training where needed; and, informing users of project progress.

2) Develop user teams by functional area to analyze OAT&E findings; identify business requirements; update critical activities list; and, identify user requirements. User teams will prioritize what needs to be automated; use standard methodology; update data model; refine data standards; and, participate in design development testing.

The Bureau's plan for rehosting the legacy systems on Y2K compliant platform by March 31, 1999 was distributed.

Tom Fry noted that there must be truth and honesty in ALMRS; that we need a system and it will evolve out of the good work done so far..

PAWP/PERFORMANCE PLAN: Both Larry Benna and Sally Wisely, representing the Field Committee, made presentations.

The ELT agreed with the following:

SHORT TERM: The WO Budget Office and the Field Committee will develop immediately a process and criteria to distribute FY99 funds.

LONG TERM: In February 1999, the WO Budget Office, the Field Committee, and a GPRA representative will meet to re-engineer the Annual Work Plan process to meet new requirements and organizational needs. The resulting recommendations will be reviewed by the ELT and the Field Committee for the next budget cycle.

HRM Update: Warren Johnson, Denise Meridith, and Marilyn Johnson gave presentations on "A Healthy Organization," workforce planning, and workforce development. Marilyn Johnson will provide the ELT with copies of the core curriculum for Pathways.

SPECIAL RECREATION PERMIT CUSTOMER SURVEY:
The ELT agreed to the following:

1) The ELT Recreation Subgroup plus Henri Bisson and his WO staff will refine and correctly sequence the proposed recommendations in light of the following: holding regional workshops before conducting a training course; involving other agencies in the workshops with the idea of simplifying the permit process; doing further analysis of permit process, considering increased number of permits and increased workload with less time. Final work product will be discussed on an ELT conference call to be determined.

Recommendations:

- Complete and implement the revised BLM Special Recreation Permit Manual and Handbook in FY99.
- Complete design and deployment of the Special Recreation Permit Training Course in FY 99.
- Sponsor a National Special Recreation Permit Workshop for BLM and permittees and their industry and professional organizations.
- Encourage posting of Special Recreation Permits and environmental documents on the Intranet.
- Encourage development and use of Programmatic Environmental Assessments to streamline permit process. Benchmark successful programs and share results.
- Support increased development of more interagency permits with Forest Service and Park Service.
- Include regional and local components in future surveys.

COMMERCIAL CUSTOMER SURVEY RESULTS.

The ELT agreed to the following on communicating regulations:

1) Build into the regulatory process more advanced field involvement; Responsible person is AD-600 who will have an approach developed for the December ELT conference call.

2) Ensure that the ELT understands the potential implications of proposed regulatory activities and able to discuss those with internal and external groups; Responsible person is AD-600 and corresponding program AD. Ongoing.

3) Each ELT member is to provide Pete Culp with a list of priority rulemakings by November 30.

The ELT agreed to the following on re-engineering processes:

1) Hold more industry meetings; educate employees on implications of delay to industry;

2) Provide the customers with target dates on rights-of-way applications;

3) Speed up review of pilots for streamlining rights-of-way processing and implement "best practices";

4) Henri Bisson, Ed Hastey, and Al Pierson will report on their review and recommendations to improve our cultural and T & E clearance processes at the March ELT meeting.

Responsible person is Pete Culp. Action plan due at March ELT meeting.

The ELT agreed to the following on "best practices":

1) Review the evaluation process to see if "best practices" are being communicated across the Bureau. Responsible person is Bob Doyle . Due for January ELT conference call.

PERSONNEL MANAGEMENT COMMITTEE:

The ELT agreed to the following:

1) The PMC will communicate its decisions to all ELT members;

2) The PMC will explore mechanisms to explain more fully its role and process;

3) ELT members will provide their comments to Warren Johnson regarding the draft clarifying PMC memo he distributed at the meeting.

Responsible person is Warren Johnson. Due by December 15.

THE NATURE CONSERVANCY:

The ELT agreed to the following:

Henri Bisson and the ELT Heritage Workgroup (Bill Lamb and Michelle Chavez) will present recommendations on how BLM can partner with The Nature Conservancy at the ELT meeting in March.

Minutes from the Executive Leadership Meeting, Boise, ID AZ, March 1999

OLD BUSINESS: Right of Way Application Processing: Pete Culp identified some short term, intermediate, and long term actions which could be taken to address right of way workload. He discussed at length the intermediate goals to be implemented in 6 months: to establish 3 national right of way project manager positions to be located in the field for major interagency/interstate right of way projects.
It is assumed that the ELT agreed with Pete's short and long term proposals.

Recommendation: ELT members recommended that Pete meet with the Western Systems Utility Group and others to discuss land use constraints on the establishment of new utility corridors.

Decision: Pete will send the proposal to the Field Committee for review and comment. Results will be shared with the ELT no later than at its next meeting.

BLM Cultural Clearance Processing: Henri described the steps taken to date to implement the national programmatic agreement. He concluded by stating the states have the tools available to further streamline cultural clearances by working with their respective SHPOs, including establishing cultural mitigation banks.

Section 7 Consultation: The ELT members discussed what was being done at the local level to streamline consultations. Henri informed the group that his staff was developing a list of species anticipated to be listed. This information will be distributed and discussed on an ELT conference call. In addition, Tom asked Henri to prepare a paper on best practices/success stories in the field involving BLM, FWS, NMFS cooperation. Henri and/or Tom will go to FWS and/or NMFS leadership to discuss what can be done on the national level to encourage such innovative practices.

It was proposed that Tom consider holding a joint leadership meeting with FWS and NMFS.

Recommendation: The Bureau should consider developing a multi-state strategy for addressing selected listings such as the sage grouse.

Decision: The development and implementation of a strategy to address T & E species will be an agenda item at the July ELT meeting.

Biodiversity/Conservation Strategies: Henri gave the ELT a status report on The Nature Conservancy's ecoregion planning, and on similar projects being conducted by USGS Biological Resource Division and Partners in Flight. Henri is going to request that each state identify a point-of-contact for continued sharing of partnership information as BLM Headquarters becomes aware of new initiatives in ecosystem management.

PERMIT RENEWALS: Henri briefly reviewed the status of grazing permit renewals.
Renee Stone advised that thorough, complete NEPA work needs to be done. The optimum situation would be that every permit to be renewed would be done in a timely manner and have clear, complete documentation. Renee urged that BLM document what are good decisions.

Decision: The ELT members agreed to send a representative to a meeting in April to share best practices for permit assessments and renewals.

The ELT members are to get comments to Henri by April 2 on the draft documentation of NEPA adequacy worksheet and on the draft quality assurance scorecard. Henri promised he would get the revised products to the field in advance of the April meeting.

Henri concluded that a national validation review will be conducted in August in selected states.

LAND USE PLANNING: Henri discussed the status of the proposed planning guidance; he outlined the schedule and asked the ELT members for help staying on message as the guidance is rolled out. -Al Wright encouraged Henri to consider the impact other events, such as oil and gas regulations and 3809, may have on the roll out of the planning guidance.

DECISON: Henri will review previous efforts on the planning process to ensure that they have been incorporated as appropriate. He will distribute the proposed handbook and manual for bureauwide and public review.

A conference call will be scheduled in April before the roll out to develop the strategy to respond to anticipated questions or comments concerning the adequacy of the bureau's existing planning and NEPA base. Issues to be addressed include funding, staffing, message, and potential deficiencies in our base.

FIRE - ALLOCATION OF FORCES: Les discussed our inability to meet critical agency needs and our commitments to interagency cooperators for personnel to manage wildland and prescribed fires. ELT members noted that this may not solely be a training problem; it also relates to an aging workforce and flat budgets. An Allocation of Forces is needed to identify our fair share of fire/emergency personnel required to meet national, state, and local needs. An instruction memorandum has been sent to the states requesting them to provide information about their capability to meet their commitment.

Decision: State Directors should respond to the IM by April 16, 1999. A final Allocation of Forces target will be established by the National Office and issued by June 1, 1999.

STRATEGIC PLANNING: Kit reviewed the results of the recent strategic planning meetings and outlined the steps to be taken to integrate the revision of the strategic plan with the development of the budgets for Fiscal Years 2000 and 2001.

Decision: The ELT agreed to a meeting being held in Phoenix on May 6,7, 8 at the National Training Center to flesh out potential budget initiatives for FY 2001 and 2002 including the implications of anticipated flat budget in selected areas.

The ELT members will send representatives from their states and assistant directorates to the meeting. In addition, Kit requested that 1 or 2 ELT members from each strategic plan working group attend.

Any concerns on the listing of preliminary goals are due to Kit by April 2.

WO-800 will post the draft preliminary goals on Intranet for the employees.

On the May 10 ELT Conference call, Henri will report on his staff's progress in developing protocols required to report on assessments of land health.

Gayle volunteered to help the ADs identify their information needs associated with their respective long term performance goals.

Joint Forest Service-BLM Leadership Meeting: SERVICE FIRST: Decision: It was agreed to to pursue every opportunity at all levels to further implement the Service First initiative.

PLANNING GUIDANCE: Decision: Kit will send a copy of the Forest Service's Committee of Scientists Report to ELT members next week.

CLEAN WATER INITIATIVE:
Decision: Larry Finfer will compile a package of documents relating the Clean Water Action Plan, including what's expected of the field.

LRIS/Y2K UPDATE: Nina and Pete provided an update. BLM's national mission critical systems have been ceritifed Y2K compliant.

BUDGET: Jean Rivers-Council gave a status report on the work of the budget re-engineering team.
Decision: The ELT members support the work of the team and gave the nod to continue their work.

URBAN SPRAWL/OPEN SPACE: Decision: Al Pierson and Ann Morgan will be the state director sponsors of WO-200's effort to address the BLM issues associated with urban sprawl/open space.

NEXT ELT MEETING: Decision: The next meeting is proposed for the week of July 19 at Shepardstown, W. Va.

Decision: Three agenda items are T & E species - new listings; Urban sprawl/open space; and a report by Marilyn Johnson on training for managers and executives.

To: All Employees
From: Director
Our Executive Leadership Team (ELT) met this week in Boise, Idaho, at the National Interagency Fire Center. I wanted to share with you some of the highlights of the meeting. The three main themes were:
- Permit Renewals. Our emphasis will be on quality, i.e. doing the job right so that we meet our legal obligations while processing these permits. States will provide comments on draft documents related to renewals by April 2. States will meet in April to share success stories and best practices. A simple quality assurance process will be developed to verify that we are doing the job right.
- Budget. I reviewed the budget situation with the ELT members and encouraged them to discuss with their employees my March 19 message, which was posted on the intranet, regarding the Fiscal Year 2000 Budget Process.

- Planning. Henri Bisson briefed the ELT on the planning guidance scheduled to be released to the public for comment in April. The proposed guidance will simplify our planning process and facilitate collaboration.

We also had a joint meeting with the Forest Service during which we agreed to continue to implement the Service First initiative at all levels of our organizations.

On Wednesday, I participated with my colleagues at the Andrus Center Forum on Federal Lands. My presentation focused on our challenge in dealing with urbanization and the public's demand for open space, and how the BLM is well positioned to deal with that demand. You can expect to hear more about this issue in the future.

Your State Directors will provide you with more detailed information on the ELT meeting and followup actions that we agreed to pursue. Have a good weekend!
ELT ASSIGNMENTS from MARCH 23-25, l999 MEETING

ELT MEMBERS:
Send comments on draft documents relating to permit renewals to WO-200 by April 2.
Send representatives to April meeting to share best practices for permit assessments.
Send representatives to May 6, 7, 8 meeting in Phoenix on strategic planning/budget. In addition, 1 or 2 ELT members from each strategic plan working group should attend.
Send to Kit by April 2 any concerns on the listing of strategic preliminary goals.
Implement Service First initiatives at all levels of the organization.

STATE DIRECTORS: Identify a point of contact for WO-200 for continued sharing of partnership information as BLM Headquarters becomes aware new initiatives in ecosystem management.

Respond by April 16 to Les Rosenkrance on the Instruction Memo regarding allocation of forces.

Ann Morgan and Al Pierson will be the State Director sponsors of WO -200's effort to address BLM issues associated with urban sprawl and open space.

WO-100/101 : Director Fry will use the best practices/success stories document prepared by WO-200 in meetings with FWS and NMFS leadership to encourage such practices on a national level.
-Kit Muller will send out next week a copy of the Forest Service's Committee of Scientists' Reprt to ELT members.
-Les Rosenkrance will issue a final allocation of forces target by June 1, l999.

WO-200: Henri is to prepare a paper on best practices and success stories in the field involving BLM, FWS, and NMFS. This document will be used by Tom and Henri in meetings with FWS and NMFS leadership to encourage such practices on a national level.

In preparation for the July ELT meeting, Henri and his staff will develop a proposed multi-state strategy for addressing selected T & E listings, such as the sage grouse.
Henri will get the revised permit renewal related documents to the field prior to the April meeting.

Henri will review previous efforts in the planning process to ensure they have been incorporated as appropriate. He will distribute proposed handbook and manual for bureauwide and public review.

Henri will get comments from ELT members via conference call before the planning guidance roll out to strategize on how to answer anticipated questions.

Henri, on May 10 ELT Conference call, will report on staff progress on development of protocols required to report on assessments of land health.

WO-300: -Pete Culp should meet with the Western Systems Utility Group and others to discuss land use constraints on the establishment of new utility corridors.
-Pete Culp will send his right-of-way project manager proposal to the Field Committee for its review and comment. The results will be shared with the ELT at its July meeting.

WO-500: Gayle volunteered to help the Ads to identify their information needs associated with their long term performance goals.

WO-600: Larry Finfer will compile a package of documents related to the Clean Water Action Plan, including what's expected of the field.

WO-700: Marilyn Johnson will report at the July ELT meeting on the training of managers and executives.

WO-800: Post on the intranet the draft strategic plan preliminary goals.

APPENDIX 10

FLOW DIAGRAM OF THE PROPOSED NEW BUDGET PROCESS

Currently only available in hardcopy and must be inserted into the document.

) be read horizontally e.g., *all* of the steps required in the preparation of the FY 2003 budget are shaded.

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
						Budget Themes Developed 2002	Strategy Meeting on 2002 Themes		ELT Sets 2002 Budget Priorities & reviews budget themes	Communic 2002 Budg Strategy & Fill Budge Strategy D Base
		This portion of the table has been left blank because the fiscal year has already lapsed.						2001 Budget & Performance Request to Dept	Communicate 2001 Budget Strategy & Fill Budget Strategy Data Base	Communic 2001 Budg Strategy & Fill Budge Strategy D Base
									Jump-start 2000 by issuing Planning Target Allocation	
									Quarterly Review Funding and Performance	
				Budget Strategy Team Convenes 2003		Budget Themes Developed 2003	Strategy Meeting on 2003 Themes		ELT Sets 2003 Budget Priorities & reviews budget themes	Communic 2003 Budg Strategy & Fill Budge Strategy D Base
ica dget & Fill e	→	→	→	→	ELT Final Approval of 2002 Budget Strategy	Budget Strategy Handed off to Budget Office 2002		2002 Budget & Performance Request to Dept	Communicate 2002 Budget Strategy & Fill Budget Strategy Data Base	Communic 2002 Budg Strategy & Fill Budge Strategy D Base
icate dget & Fill trategy e	OMB Passback 2001	2001 Planning Target Allocation with Performance & Priorities	Communicate 2001 Budget Strategy & Fill Budget Strategy Data Base	2001 Budget Justifications, APP, & Opportunities Book to Congress	Communicate 2001 Budget Strategy	→ Congress: Budget Review and Hearing	→ →	→ →	→ →	→ →
ional ation; /P with n of nce	→		Quarterly Review Funding and Performance			Quarterly Review Funding and Performance			Quarterly Review Funding and Performance	
ear it; and nce										
				Budget Strategy Team Convenes 2004		Budget Themes Developed 2004	Strategy Meeting on 2004 Themes		ELT Sets 2004 Budget Priorities & reviews budget themes	Communic 2004 Budg Strategy & Fill Budge Strategy D Base
icat dget & Fil e	→	→	→	→	ELT Final Approval of 2003 Budget Strategy	Budget Strategy Handed off to Budget Office 2003		2003 Budget & Performance Request to Dept	Communicate 2003 Budget Strategy & Fill Budget Strategy Data Base	Communic 2003 Budg Strategy & Fill Budge Strategy D Base
icate dget & Fill trategy	OMB Passback 2002	2002 Planning Target Allocation	Communicate 2002 Budget Strategy & Fill Budget	2002 Budget Justifications, APP, & Opportunities	Communicate 2002 Budget Strategy	→ Congress: Budget	→ →	→ →	→ →	→ →

				Convenes 2005		2005			reviews budget themes	Fill Budge Strategy D Base
icate dget & Fill e	→	→	→	→	ELT Final Approval of 2004 Budget Strategy	Budget Strategy Handed off to Budget Office 2004		2004 Budget & Performance Request to Dept	Communicate 2004 Budget Strategy & Fill Budget Strategy Data Base	Communic 2004 Budg Strategy & Fill Budge Strategy D Base
icate dget & Fill trategy e	OMB Passback 2003	2003 Planning Target Allocation with Performance & Priorities	Communicate 2003 Budget Strategy & Fill Budget Strategy Data Base	2004 Budget Justifications, APP, & Opportunities Book to Congress	Communicate 2003 Budget Strategy	→ Congress: Budget Review and Hearing	→ →	→ →	→ →	→ →
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